

AFFORDABLE PRESCRIPTION DRUG COVERAGE FOR ALL AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. SLAUGHTER) is recognized for 5 minutes.

Ms. SLAUGHTER. Mr. Speaker, I would like to take this opportunity to join my colleagues in calling for quick, decisive action by Congress to make prescription drugs more affordable for all Americans.

This Chamber has the opportunity to make an enormous difference in the lives of seniors, individuals with disabilities, and many, many others. And for once, there is something relatively simple that we can do. We can pass the legislation making it easier for Americans to reimport prescription drugs approved by the FDA and manufactured in FDA facilities.

A vast amount of the pharmaceuticals produced in the Nation under government-inspected plans and with government-approved procedures end up in other countries. Quite often they are sold at far lower prices there than are available to United States residents. For many people, it would be less expensive to buy those medications overseas and have them shipped home than to purchase them at the corner drugstore. However, restrictive export laws make it impossible.

Both the House and the Senate have approved legislation that would allow Americans to reimport prescription drugs. I strongly support this reasonable proposal, with the understanding that reasonable safeguards on the purity and safety of these products would also be put in place. This is a common sense step that we can take to improve all of our constituents' access to more affordable medication.

In early June, my office worked with Public Citizen to help a dozen of my constituents travel to Montreal to purchase prescription drugs at lower prices in Canada. The savings realized by these persons was nothing short of astonishing. Elsie saved \$650, or 47 percent, of the cost of her prescriptions. Nancy saved 48 percent, or over \$450. Francis saved 60 percent. For all of the men and women who went, the savings amounted to a significant proportion of their monthly income.

Now, I should point out that these persons were only allowed to buy medications for 2 months and, so, those significant savings were for only a 2-month period of the year.

Mary takes nine different medications, and she spends 73 percent of one month's income for 3 months' supply. She speaks for many seniors when she says, "Do you stop taking your medication to buy food?"

It is intolerable that the wealthiest Nation in the world allows this situation to persist. However, it is even worse to see the lengths to which the

pharmaceutical industry will go to defeat any effort to make these drugs more affordable.

Citizens for Better Medicare, a group funded primarily by the largest drug companies, now spends something over a million dollars a week on campaign-related issue ads. They have already spent \$38 million in this cycle, more than any organization except the two major political parties; and they expect to spend plenty more in the coming weeks before the election.

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Just imagine how much good that \$38 million would do for low-income Americans and seniors who cannot afford their prescriptions. It is time for Congress to stop the nonsense and take a modest first step toward making prescription drugs more affordable for all Americans.

Congress should pass a prescription drug reimportation provision as soon as possible.

PRESCRIPTION DRUG COVERAGE FOR SENIORS

The SPEAKER pro tempore (Mr. ADERHOLT). Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, once again this evening I would like to focus on the Democratic proposal to provide for a prescription drug benefit under Medicare. I have been on the floor many times in the House discussing this proposal because I do think it is the most important issue facing this Congress and facing the American people today.

Many of my constituents, senior citizens, have complained about the high price of prescription drugs. Many of them have to make choices between prescription drugs and food or housing, and I do not think there is any question that with the Medicare program that has been probably the most successful Federal program in history that if we were to just take that program and add a prescription drug benefit, we would be solving a lot of the problems that our senior citizens now have with not having access or being able to afford prescription drugs.

Now, of course, both sides of the aisle have been talking about this issue in the last week or so, and I, of course, believe very strongly that the Democratic plan, which is the only plan that would actually include a prescription drug benefit under Medicare, is the only plan that would actually help the average American.

I want to spend a little time tonight explaining the Democratic plan and then explaining why I think the proposal that has been put forward on the other side of the aisle by the Repub-

lican leadership is essentially illusory and would not help the average American.

Let me start out by saying that right now, seniors know that they can get their hospitalization through part A of Medicare and they pay a monthly premium through part B of Medicare and get their doctor bills paid. Now, what the Democrats are saying is that we will follow on the existing Medicare program, which has a part A and a part B and we will give you a prescription drug benefit in the same way. We call it part D, because Medicare part C is now the Medicare+, the HMO option. Basically what we say is that you would pay a modest premium and the government would pay for a certain percentage of your drug bills. Now, the Democrats guarantee you the benefit through Medicare if you want it and it covers all your medicines that are medically necessary as determined by your doctor, not the insurance company.

Let me contrast that with what the Republicans have been talking about. Basically what the Republican leadership on the other side has been talking about and what Governor Bush has been talking about is that they will give you, if you are below a certain income, a certain sum of money, that the government will provide a sort of subsidy and that you can go out and you can try to find an insurance company that will sell you a policy and cover your prescription drugs or medicine. But if you cannot find an insurance company that will sell you that policy, that drugs-only policy with the amount of money the government will give you, then you are basically out of luck.

Also, I would point out that the Republican plan, particularly the one that has been articulated by Governor Bush, only covers people below a certain income. The other problem with the Republican proposal is that even if you can find an insurance policy that will cover prescription drugs, there is no guarantee as to the cost of the monthly premium or what kind of medicine you get. More importantly, the Republican proposal leaves America's seniors open to continued price discrimination because there is nothing to prevent the drug companies from charging you whatever they want.

The Democratic plan deals with the issue of price discrimination by saying that the government will choose a benefit provider who will negotiate for you the best price just like the prices negotiated for HMOs and other preferred providers. The problem right now is if you are a senior citizen and you are not part of an HMO or you do not have some other large employer-based, for example, drug coverage and you want to go out to your local pharmacy and pay for a particular drug, you often times are paying two and three times

what the preferred provider or the HMO or some other kind of drug plan is paying. That has got to end. If we do not address the issue of price discrimination, then we are never going to essentially solve the prescription drug problem that seniors face today.

Mr. Speaker, the Democratic plan is a real Medicare benefit that will make a difference for America's seniors. The Republican plan is, as I have characterized many times before, a cruel hoax on the same seniors who are basically crying out for Congress to act.

Now, let me talk a little bit more about the Republican plan that was outlined by Governor Bush a few weeks ago in reaction to our Democratic proposal. Let me point out, first of all, that the Bush proposal excludes two-thirds of Medicare beneficiaries because their income is essentially too high. Two-thirds of seniors and eligible people with disabilities have incomes above 175 percent of poverty, or about \$15,000, for an individual and they are eligible for Medicare but they would not be eligible for the Bush prescription drug plan. The sad thing about that is that the problem that we face and the seniors that talk to me and talk to my colleagues about the problems they face with prescription drugs more often than not are not low-income seniors. Forty-eight percent of those without drug coverage have incomes above 175 percent of poverty and would not qualify under what Governor Bush is proposing.

The other thing is that only a fraction of the low-income seniors would actually get coverage even under Governor Bush's proposal. So even if you are low income, you are not guaranteed the coverage. Most of the Nation's governors have agreed with seniors and people with disabilities that the gaps in Medicare coverage should be a Federal responsibility and not run or financed by the States. But what Governor Bush has proposed basically is to have State-based programs for these low-income people. Let me tell you, if you look at the existing Medicare program, something like 98 percent of eligible seniors are now participating in Medicare. But if you look at State-based programs that provide some kind of prescription drug coverage now, only about, well, really 45 percent or less than half of the people are actually enrolled in those State-based programs.

So what we have here is the Democrats saying, "Medicare has worked. Medicare is a good Federal program. Let it cover prescription drugs in the same way that it covers hospitalization and in the same way that it covers your doctor bills."

The Republicans are saying, "No, Medicare doesn't work, it's not something that we want to expand, it's not the way to go about this. We're just going to give you a subsidy if you happen to be low income and you can go

out and try to find prescription drug coverage if you can. If you can't, that's your problem, not ours."

The last thing I wanted to mention today before I yield to one of my colleagues is that this Republican proposal has already been tried in at least one State, the State of Nevada. Back in March, Nevada, the legislature and the governor signed a law that essentially is the same thing as what the Republican leadership is proposing in the House of Representatives nationally. And it has not worked. The Nevada program went into effect, they tried to get some insurance companies that would sell these prescription-only drug policies and nobody was willing to sell them. It is no surprise. The gentleman from Texas (Mr. GREEN) to whom I am about to yield and I were at a Committee on Commerce meeting one day when this issue came up and the representative from all the insurance companies came in and said to the Republicans, "There's no point in doing this because it's not going to work and we're not going to sell these drug insurance policies."

Well, Nevada tried it and it did not work. They could not get anybody to sell the insurance. Why in the world would we try to emulate something that has not worked in a State? In this case, why would we want to transfer that to the national government when we have an existing program, Medicare, that does work and that merely needs to be expanded to provide for prescription drug coverage? That is the way to go. That is what the Democrats are talking about. If anyone says to you that the Republican plan is something that will work for the average American, it is simply not going to work.

Mr. Speaker, my colleague on the Committee on Commerce has been out here as often as I have basically asking the Republican leadership to bring up the Democratic proposal for a Medicare prescription drug plan because we feel it is so important. He has been a leader on this issue. I yield to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank my colleague from New Jersey for again requesting this time this evening to talk about the importance of prescription drugs for our seniors. One of the biggest issues our country is facing today is a lack of prescription drug benefit for our seniors. Prescription drugs are expensive for everyone. It is just that our seniors cannot go out and work a little more overtime to pay for their prescriptions. They are so often limited in their ability to increase their earnings.

I am disappointed that once again this Congress has chosen to delay this important issue. We have known for years but especially during the last 2 that there has been a problem with prescription drug coverage for seniors. I remember in my first town hall meet-

ings I had in 1993 every once in a while a senior would come up and talk about the problems they were having. It was not as big I guess as it has been the last 2 or 3 years because of maybe the escalation in cost for seniors and maybe the success of our health care system, we are actually getting more prescriptions written to help people. But for at least the last 2 years we have noted it. Yet here we are again a few days before we either recess or adjourn this congressional session and we have not made any serious attempt to help those who have worked so hard to make this country so successful. As Tom Brokaw said, the greatest generation, we should not let that greatest generation be forgotten.

We simply cannot afford to sit on this issue any longer. We need a prescription drug benefit that is part of Medicare. The gentleman made that point. It is an integral part of Medicare. Over one-third of our Medicare beneficiaries will incur costs of more than \$1,000 for prescription drugs this year. More than half have costs more than \$500. The average total drug cost per beneficiary is projected to be \$1,100 for our seniors. Yet nearly two-thirds of our Medicare beneficiaries have no prescription drug coverage or have coverage that is unreliable, inadequate or even costly. Medicare beneficiaries without drug coverage purchase one-third fewer drugs but pay nearly twice as much out of pocket for their drugs that they need.

This summer, the Republican leadership forced through a prescription drug benefit bill that provides more political cover than it does coverage for our Nation's seniors because all it was was an insurance policy, and the gentleman addressed that very adequately. The legislation was designed to benefit the companies who make the prescription drugs and not the seniors. Even the insurance industry, as the gentleman stated, said that such policies will not work and they would not offer them. We simply cannot rely on insurance companies to have a drug-only policy available for 13 million beneficiaries who now currently have no drug coverage. They do not want to cover it.

The gentleman mentioned again the State of Nevada that tried this, not one company applied to sell that insurance coverage. As Democrats, we introduced legislation that works. It is cost effective and it provides key consumer protections so that seniors will not lose benefits if an insurance company goes out of business. But instead of working with us, our Republican leadership passed that flawed bill earlier this year that will just add more cost to seniors but give them even less than what they have. It is no secret that the pharmaceuticals are pressuring our Republican colleagues not to allow any progress on this issue this year, hoping that ultimately it will just die down next year,

but I am here to tell you that it will only get worse if we do not do something this year. It will get much worse. For many seniors, next year is too late. It is not fair that the pharmaceutical companies continue to discriminate against American patients. It is not fair that countries in Europe and across the world benefit from international price competition for pharmaceuticals and yet we do not. Whether it is western Europe that is basically a free market economy like we have or Japan, their pharmaceuticals are so much cheaper than ours in our country. Seniors are having to choose between paying their utility bills or their food bills or buying their medication. Oftentimes they will skip their medication to make it last that much longer. We have heard that many times not only at our town hall meetings but from our colleagues all across the country.

We should be putting the benefits in the hands of seniors and not pharmaceutical manufacturers. We should be providing a secure, stable and reliable benefit instead of watered-down legislation that does nothing to address the problem. It should be included in Medicare.

Let me talk about that a minute. If we were creating Medicare today, there is no way on this Earth that we would not have a prescription drug benefit in there. It should be standing on the same level as a doctor and a hospital bill for our seniors that it did in 1965. We would not do it. That is why we need to modernize Medicare to include prescription drugs. I hope that in this Congress, we can work across party lines. We did have some of our Republican colleagues support us and develop a bipartisan bill that ensures an affordable, available, meaningful Medicare prescription drug benefit option for seniors, so that again it is voluntary but it is part of Medicare.

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It is just nothing but common sense and fairness, and I have said this many times before, and I would hope if our seniors have to wait until after November 7 for it, that they will remember on November 7, because they need to know who really wants to provide prescription drugs as an integral part of their health care, and not something they would have to purchase out from an insurance company, like they do their Medigap policies that they have now for their 20 percent not covered by Medicare. So we need to do that as part of Medicare.

Again, I thank the gentleman for continuing to make sure that fire is burning. I see our colleague from Maine here, which part of our bill includes the pricing that we need to be able to do so they can purchase and take advantage of the free market system and negotiating for price benefits.

The gentleman from Maine (Mr. ALLEN) actually introduced the bill, along with the gentleman from Texas (Mr. TURNER) and a number of people, I think I was a cosponsor of it, to make the prescription package part of Medicare so we can actually save our seniors their prescription drug benefits.

Mr. PALLONE. I just want to say I think the most important thing we could get across to our colleagues and to the public is the fact that what the Democrats are proposing and what Vice President GORE is proposing are basically to expand Medicare; to take a good program, which is Medicare, that has worked for seniors, and expand it to include prescription drugs, because we know that when Medicare was started, I guess about 30 years ago, that prescription drugs were not that important. People were not as dependent upon them as they are now, because so many of the wonderful drugs that we have now that are available for people simply were not available then.

So all we are really saying is take this good program and expand it to include prescription drugs and follow the example with a new section or Part D.

The irony of it is that the Republicans from the very beginning when Medicare was started under President Johnson, I guess 30 years ago, most of the Republicans then did not support the Medicare program when they were Members of Congress at the time when it came up for a vote.

I think what you are seeing now is the Republican leadership in this insurance subsidy proposal that they put forth essentially, it is almost like a voucher, or a voucher proposal, they are saying once again they do not like Medicare.

It is almost a dangerous precedent. If we establish the precedent that we are going to add a significant benefit here, but we are not going to include it under the rubric of Medicare, we are going to let you go out and try to use a voucher, essentially, to buy a prescription drug policy, then that same principle can be applied to Medicare itself, the existing Medicare. Why not have a voucher to go out and shop for your hospitalization coverage or shop for your physician's coverage?

The basic problem is that they do not like Medicare, and they do not want to include a prescription benefit under that program. I think it is very unfortunate, because Medicare has proven it is a good program.

I yield to my colleague from Maine, again who I want to thank for all the effort he has done on this issue, particularly on the issue of price discrimination. I am proud to say I am a cosponsor of his bill as well.

Mr. ALLEN. I would say to the gentleman from New Jersey (Mr. PALLONE), he has been a cosponsor from the beginning.

We have worked very hard on the Democratic side of the aisle to try to

develop proposals that would be meaningful to all seniors. AL GORE has the same kind of approach, that we need a Medicare prescription drug benefit that is voluntary, so no one is forced into it, but is universal; it will basically provide coverage for everyone who wants it.

I thought what I would like to do tonight is talk a little bit about some of the arguments that are out there. I was reading an article several months ago, an article written several months ago before I came over, and it was an article by a commentator who was saying that if you think there is no difference between the Republicans and the Democrats on prescription drugs, you are not paying attention. This election matters a great deal, because these two approaches are so very different from each other.

We had our colleague the gentleman from Ohio (Mr. BROWN) down here a little bit earlier this evening, and he was reminding us that we found this Republican pollster's suggestion several months ago recommending that the Republicans come up with a plan. It did not really matter what kind of plan it was, as long as they could say they had a plan, and that would be enough to get them through the election.

But that is the fundamental difference. The fundamental difference here is that Democrats are saying we need to have a plan that is voluntary, that is universal, and that has a guaranteed prescription drug benefit. In addition, we are saying we have got to do something about price. We have to create some leverage, some downward pressure on price. We are not talking about setting prices, we are talking about bargaining power, using Medicare, using health and human services to get lower prices for seniors who right now pay the highest prices in the world.

On the other side, the Republicans are trying to do everything they can not to strengthen Medicare; to make sure that if we have any sort of prescription drug legislation at all, the one thing it will not do is strengthen Medicare.

What is the reason for that? Medicare is a government health care plan. It covers everyone over 65, and many of our disabled citizens. But the fear on the Republican side is that they know people like Medicare, trust Medicare, want Medicare to be stronger; better, to be sure, but they like it and trust it, and they are afraid that somehow if the program is even better, that will be a problem for those who are trying to diminish Medicare's influence in this health care system.

So I want to talk a little bit about the language that is out there. One thing the Republican pollster recommended is that they should attack Democratic plans as being "one-size-fits-all" plans. You hear that phrase on

the other side of the aisle all the time now, "one-size-fits-all." So the proposal that they make is they say are designed to provide choice.

Mr. Speaker, when Governor Bush made his proposal for so-called Medicare reform, the word "choice" appeared in his statement many, many times. The word "HMO" never appeared in his statement. But the choice that he was talking about was going to come from letting HMOs come into Medicare, and the government would provide some subsidy to HMOs in order for them to, perhaps if they wanted and if it were profitable enough, provide some kind of private insurance for seniors.

That is not a plan that will work for seniors, and it is disguised. It is all wrapped up in language of choice, when it is really all about letting insurance companies and HMOs have a much bigger role in Medicare as it stands today.

You can see ads out there run by the folks on the other side of the aisle that talk about a big government HMO; the AL GORE plan, the Democratic plan, is a big government HMO. Well, guess what? There is no such animal. HMOs are private insurance companies. Most of the biggest ones are for-profit private insurance companies. There are some that are nonprofits, but, as we know, the for-profits tend to be gaining the most ground and gobbling up some of the smaller ones.

But that kind of deception is really what we have got to deal with. We have got to be explaining to people all the time that there is no such animal as a big government HMO, there is just Medicare, and you can trust it, you can rely on it, it is there for you, it does not change from year to year to year. Whereas when you turn to managed care plans under Medicare, and we have some, we have about somewhere between 14 and 15 percent of seniors now covered by some kind of managed care, and just now two of them are my parents, my parents back in Maine are two of about 1,700 people on a Medicare managed-care plan in the State of Maine. Out of all our several hundred thousand seniors, we have 1,700 seniors on a Medicare managed-care plan. And, guess what? As of December 31, the private company that provides that insurance is leaving the State of Maine. We will have no Medicare managed care in Maine. Guess what the reason is? Basically it is just not profitable.

If you want to rely for prescription drug benefits on companies who will come and go in your State, in your community, depending on whether or not they can make a profit, that is no assurance at all. That is not security at all. It is not equitable at all. But that is what you get with these Republican plans, which are essentially subsidies to the insurance companies to do what can be more cheaply done, more equitably done, more fairly done,

through our health care plan for the elderly called Medicare.

That is the real division between the parties on this subject. What we are also seeing now on the other side of the aisle is a whole series of efforts. We passed the plan over here that was a straight-out subsidy to the insurance companies that passed by three whole votes. It is obviously not going anywhere, because it does not have broad bipartisan support. Then we hear about other plans. "Maybe we could do a program to give money to the States only for the poorest people who are not covered now."

The trouble is that over half of all the people who do not have prescription drug coverage have incomes above 175 percent of the poverty line. Middle-class seniors are struggling with prescription drug bills that can be \$200, \$300, \$400, \$600, \$800 a month.

I have talked to them in my district. I have talked to people who have coverage now through a private plan, and they are in their sixties. I was talking to one couple in Waterville, Maine, and between the husband and the wife, both of them have insurance now, but they lose it when they turn 65. They are 63 or so. Their cost for prescription drugs alone will be somewhere around \$800 to \$1,000 a month, and they do not know how they are going to do it.

The problem gets worse year after year, because the one thing we know about next year is next year spending on prescription drugs is going to be 15 percent at least higher than it is this year, just as this year it is 15 percent higher than it was last year.

What we can see here is fundamental. The most profitable industry in this country charges the highest prices in the world to the people who can least afford it, many of whom are our seniors. Seniors are 12 percent of the population, but they buy one-third of all prescription drugs. The gentleman from New Jersey (Mr. PALLONE) knows from talking to people in his district, as I know talking to people in Maine, they can barely get by, and often they do not. Often they simply do not get by.

So what troubles me most about this is all of the misinformation that is out there, all of the TV ads that are being run by Republican candidates, talking about a "big government HMO" or "one-size-fits-all" plan, which is basically designed to deceive, because the truth is that Medicare is a plan which covers everyone. But it is also true that we can design and we have designed a Medicare prescription drug benefit, which is voluntary, you do not have to sign up for it, but which will be a real strong start on making sure that seniors get the prescription drugs that they need.

I just want to say how much I appreciate the good work that the gentleman is doing to bring us down here,

night after night after night, to try to clear the air, to try to contain the rhetoric and to try to convey to the American people some sense of the fundamental differences between plans, like the Republican plans that rely on insurance companies, and plans like ours that cover everyone, that are fair and equitable and cost effective and work through Medicare.

I guess the last thing I would say is this: It is not just the ads that are out there being run by the Republican nominee for President or others. The pharmaceutical industry is out there running more television ads perhaps, the latest projection suggestions, more television ads, more money, than any industry has ever run in any election until now.

Citizens for Better Medicare, which is sort of the front group for the pharmaceutical industry, they are not citizens and they are not for better Medicare, the pharmaceutical industry is running ads trying to defeat the discount for seniors contained in my bill, the Medicare prescription care benefit contained in the Democratic proposal, or even our bills led by the gentleman from Arkansas (Mr. BERRY) or the gentleman from Vermont (Mr. SANDERS), those bills that are designed to try to allow drugs to be imported into the United States and then sold by pharmacies here, because medicines can be purchased so much more cheaply in Canada, Mexico, in fact anywhere else in the world, than in these United States.

Let us always remember that these are drugs manufactured by American companies, and they sell for 60 percent more here than they do in Canada, in Europe and everywhere, just on average.

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And we have got to change this. We have simply got to keep persisting that we are not going to allow the American people to be fooled, and we are not going to accept this rhetoric about one-size-fits all or "big government HMOs" or people who say that we are going to give a choice of plans when all they are really talking about is giving an HMO that can pull that choice any time it wants to, any plan it wants to.

So, Mr. Speaker, I just want to say thank you to the gentleman from New Jersey (Mr. PALLONE), who is doing a great job pounding away on this issue night after night. And I am convinced that if we cannot get it this month, we will get a Medicare prescription drug benefit for our seniors in the next 2 years. This issue is too big, it is too important, and we simply cannot let it slide away. We cannot let this whole area be taken over by private insurance companies, HMOs, and the pharmaceutical industry. I yield back to the gentleman from New Jersey, and thank him for hosting this special order.

Mr. PALLONE. Mr. Speaker, I thank my colleague from Maine. Again, I say that the gentleman, more than anyone else, keeps reminding us about the price discrimination issue, which is an issue that affects not only seniors, but everyone really. Seniors, obviously, because they use more prescription drugs are more concerned about it than any other group. But the issue of price discrimination has to be addressed in the context of what we do on the prescription drug issue, or we are not going to solve the problem. I thank the gentleman for constantly bringing the issue up.

Mr. Speaker, I wanted to mention that the most important aspect of this in this whole debate is the fact that the Democrats want to include prescription drugs under a Medicare plan, under the rubric of existing Medicare, and that the Republicans essentially are not doing that. They are talking about some sort of voucher or subsidy that would be used to go out and find an insurance company that wants to sell a drugs or prescription drug-only policy.

One thing that I really want to stress this evening, and I think is so important, is that too often on the Republican side of the aisle this issue is described or basically painted in an ideological sense. And I, for one, do not see myself as an ideologue. I do not look at what we do here from the point of view of what is "progressive," what is "conservative," what is "liberal," what is "moderate," but rather than from the point of view of what works.

I get a little tired of the rhetoric that suggests that somehow Medicare is socialistic or government-run or in some way that it could not possibly work because it is a government program. The reality is that every kind of program or initiative has to be looked at from a practical point of view, and Medicare works. And so any effort to say that we should not include this prescription drug benefit because somehow this is going to be a government-run program, I do not care whether the government runs it as long as it works.

Mr. Speaker, I would say the same thing is true with regard to the issue of price discrimination that the gentleman from Maine (Mr. Allen) keeps bringing up and also spoke about very eloquently this evening.

What I find is that the Republican leadership, and even the Republican candidate for President, Governor Bush, keeps talking about the issue of price discrimination in sort of ideological terms. There was an article in *The New York Times* on September 6, which was the day that Governor Bush spelled out his own prescription drug program and what he was proposing to do for seniors to have access to prescription drugs. He was very critical of the Democratic proposal, which is sup-

ported by Vice President AL GORE, because he said that it would lead to price controls.

I read this before on the floor of the House, but I want to read it again tonight because I think it so much spells out this whole ideological debate. "Governor Bush today," from the *New York Times*, "much like the drug industry," and I quote, "criticized Mr. GORE's plan as a step towards price controls by making government agencies the largest purchaser of prescription drugs in America. By making Washington the Nation's pharmacist, the Gore plan puts us well on the way to price control for drugs."

Well, let me say this. The reason why we need to address the issue of price discrimination is because the marketplace is not working right now with regard to this issue. The problem is that HMOs, employer benefit programs that have large volumes of constituents, large volumes of seniors that are part of their plan, have the ability to go out and negotiate a better price than the guy who is on his own and has to go to the local pharmacy to buy the drugs.

What is the answer to that? Well, we can say, okay, that somehow the little guy has got to basically get together with his colleagues and exercise some control so he can negotiate a better price. That is essentially what we are doing with our Medicare prescription drug plan. We are saying that in each region of the country, the Government will designate a benefit provider, which is basically an organization that would be in charge of negotiating on behalf of all the seniors that are now part of this Medicare plan, a price for prescription drugs.

Mr. Speaker, all that is essentially tinkering with the marketplace to give the little guy the power that these large HMOs and others employer benefit plans have. We can call that government control, we can call that Washington stepping in, call it whatever we want. But the bottom line is that is the only way to get the average person who is not now covered by an HMO or any kind of plan to the ability to have some control to negotiate a better price so he or she does not suffer this price discrimination that so many seniors are now facing.

My response to anybody on the other side of the aisle, or to Governor Bush, whoever says that that is price control or that is government running the program is: I do not care, as long as it works. I have got to somehow empower this guy who is going to the local pharmacy and having to pay these tremendous prices. I have got to empower him to be able to negotiate a better price, and that is what the Democratic plan would do. Call it whatever we like, I do not care. It is the only way to empower this individual to be able to fight against this price discrimination.

Let me say that the Democratic proposal, the Gore proposal, is much dif-

ferent from the type of strict price controls that exist in almost every other industrialized developed countries. Most of the European countries, Canada, and a lot of other developed countries around the World, basically set a price. They have real price controls. We are not talking about that. We are not talking about interfering with the market that much that we would actually set a price, but we are saying that we need to empower the average person so that they are not a victim of this continued price discrimination.

Mr. Speaker, the other charge, and the gentleman from Maine brought this up, the other charge that the Republican side and Governor Bush has made against the Democratic plan is that somehow it is a one-size-fits-all plan and people will not have a choice; that we should favor the Republican proposal, this sort of voucher, because that gives a choice because we can take that voucher and go out and decide what kind of plan we want and somehow we have choice.

Let me say that nothing is further from the truth. As I pointed out, in the State of Nevada where this program was instituted, no insurance company even wanted to sell these policies that the Republicans are proposing. The insurance companies are telling us before our committees that they will not offer these drug policies. So what kind of a choice is there if we cannot find somebody who is going to sell an insurance policy that would cover prescription drugs?

The Democratic plan on the other hand provides a tremendous amount of choice because the Gore plan, the Democratic plan, is voluntary. Seniors do not have to sign up for Medicare part D any more than they have to sign up now for Medicare part B. No one says that they have to sign up for part B and pay a premium so much a month to get their doctor bills covered. Eighty, 90, almost 100 percent of the people sign up for it because it is a good deal, and I suspect that we will get the same thing with our proposed part D for prescription drugs. Most people would sign up for it because it is a good deal.

But I remind my colleagues that it is still voluntary. If Americans have an existing employer benefit plan that covers prescription drugs and do not want to sign up for the Medicare prescription drug part D, they do not have to. We are not forcing them to. If they are in Medicare part C now and have an HMO plan that covers their prescription drugs and they have to pay so much a month, or they like that plan and they do not want to sign up for the Medicare prescription drug plan under part D, they do not have to.

In fact, I would say that the way this is set up, the way that the Democratic proposal is set up, we actually offer more variety because for those who

stay in an HMO, we are going to provide better than 50 percent of the cost of the prescription drug program. So rather than see hundreds of thousands of people who are now being thrown out of their HMOs, because the HMO decided as of July 1 that they were not going to include their seniors and they are losing their HMO coverage, most of the HMOs that are dropping seniors now are dropping them because they cannot afford to provide the prescription drug coverage.

If now the government is going to say under Medicare that we cover better than 50 percent of the cost of the prescription drug program, then a lot more HMOs are going to want to sign up under the Democratic proposal, will sign up seniors, and will not drop them.

The same is true for employer benefit plans. We are also providing money to help pay for the employer benefit plan for those who have it. We are increasing choices. We are letting people stay with existing plans and boosting and shoring up those plans financially so they do not drop them. And if Americans do not want to do that, they always have the fall back of going back to the Medicare fee-for-service prescription drug program that is a guaranteed benefit.

When I say "guaranteed benefit," because my colleague from Maine again pointed out that, again, a big difference between what the Democrats are proposing and what the Republicans are proposing is that the Democrats truly have a guaranteed benefit. It is one-size-fits-all in the sense that one is guaranteed to know that if they sign up for the program, every type of medicine that they need, that their doctor says is medically necessary or their pharmacist says is medically necessary for their health, will be covered under the Democratic plan and under Medicare.

By contrast, in the Republican plan, that basically leaves it up to whoever is going to take this voucher that they are offering and says, okay, we will take the voucher; but we are not going to cover certain drugs, we are going to charge a copayment, we will have a high deductible. These are the kinds of problems that people face now with HMOs or with a lot of the private plans that are out there that some people have been able to find.

Those problems will be magnified under the Republican proposal. If someone takes this voucher and they are trying to find somebody to cover them, they do not have to say how much it is going to cost. They do not have to say what kind of drugs they are going to get. They do not have to say what the copayment is, what the premium is. Under the Democratic proposal, all of that is provided for, all of that is structured, all of that is guaranteed.

Mr. Speaker, it is a significant difference, I think, in terms of the way we approach things.

I guess tonight if I could conclude, Mr. Speaker, I would say that we are going to be here many times. I do not know how much longer the Congress is going to be in session, probably a couple more weeks or so; and I am beginning to have serious doubts about whether this issue is going to be addressed by this Congress and the Republican leadership. I think the time is running short, and the realization is setting in that this Congress is likely to adjourn without addressing the prescription drug issue.

Mr. Speaker, I think that is a shame, because I think there really is a consensus amongst the American people that we need a Medicare prescription drug benefit. And rather than pose back and forth about which plan is better, it would be a lot better if the Republican leadership would simply accept the fact that this should be something that is included under Medicare and use the time over the next 2 weeks to come to common ground so that we could pass this.

But I do not see that happening, and it is not going to stop me and my Democratic colleagues coming here every night, or as often as possible, to demand that this issue been addressed before we adjourn.

□ 2015

DEBT REDUCTION

The SPEAKER pro tempore (Mr. GUTKNECHT). Under the Speaker's announced policy of January 6, 1999, the gentleman from Georgia (Mr. CHAMBLISS) is recognized for 60 minutes as the designee of the majority leader.

Mr. CHAMBLISS. Mr. Speaker, I did not come here tonight to talk about prescription drugs, but after listening to my colleague from New Jersey (Mr. PALLONE), I guess we are going to have to title the Democratic plan the Sugar Ray Leonard Prescription Drug Plan, because they are bobbing and weaving all over the place with their prescription drug plan, saying whatever makes people feel good without having any substance to it, when the fact of the matter is that there is only one voluntary prescription drug benefit plan out there, and it is a Republican plan.

The Democratic plan is not a voluntary plan. It is not a plan that makes real sense for seniors. And, as I say, I did not come here to talk about that tonight. But I get so disappointed when I hear people stand up here and demagogue a plan that is fair, instead of entering into real dialogue over the differences that are out there and trying to come to some conclusion.

Hopefully over the next couple of weeks, we will come to some conclusion on that, but not as long as we have

the demagogue going on and the bobbing and weaving going on and the changing going on and trying to stroke senior citizens instead of being honest, straightforward and trying to work out a plan, if that type of conversation takes place, then we are not moving in the right direction, and I hope they will change their direction, they will come together and work with us to provide a plan that is meaningful and that has real substance to it.

There is one real, fundamental difference in the Democratic prescription drug plan and the Republican plan, and that is this: Under the Republican plan, the decision-making process on what drugs are needed and what drugs will be provided is going to be determined by the Medicare beneficiary, their pharmacist and their doctor. Under the Democratic plan, that decision is going to be dictated by the Federal Government, and that is not what seniors want.

Mr. Speaker, what I really came here tonight to talk about is something that is just as crucial as that particular issue, and it is the issue of debt reduction.

I want to go back and review for just a minute where we have been, where we are, and what direction we are heading in. I was elected to Congress in November of 1994, and at that point in time, our country had been operating for some 25 years plus under a deficit budget situation.

My class that came in in 1995 was committed to the fact that the American people were insistent that we balance the budget of this country. The Clinton administration had proposed deficit budgets as far as the eye could see, and that was wrong; the American people simply did not want that. They wanted us to get our financial house in order.

Beginning in January of 1995, we started making those tough decisions right in this very Chamber that have not only led us out of the deficits, as far as the eye can see, we have balanced the budget of this country, and now we are looking at excess cash flow coming into Washington in the form of tax revenues as far as the eye could see.

In 1995, I went back and I looked at the position of the Clinton administration with respect to balancing the budget. The Clinton-Gore administration was not in favor of balancing the budget in January of 1995. In fact, the budget that the Clinton-Gore administration presented to this body in February of 1995 called for a deficit this year, the year that ends next year of \$194 billion. That means we would have spent \$194 billion more than we took in this year, and I think everyone across America knows and understands that we are now in an excess cash flow, that is sometimes referred to as a surplus, but as long as we have a significant